

DATE:

May 27, 2008

TO:

Procurement Directors

FROM:

Office of Procurement and Assistance Policy, MA-61

Office of Procurement and Assistance Management

SUBJECT: Enhancing Competition for Task and Delivery Order Contracts

On May 23, 2008, the Civilian Agency Acquisition Council (CAAC) issued the attached CAAC policy letter 2008-01. The policy letter highlights requirements under Section 843 of the Fiscal Year 2008 National Defense Authorization Act and FAR Case 2008-006, "Enhancing Competition for Task and Delivery Order Contracts," which are applicable to single award task or delivery order contracts on or after May 27, 2008. The FAR Case is expected to be published soon in the Federal Register.

FAR Subpart Part 16.504, Indefinite-Quantity Contracts, will be amended to state that no task or delivery order contract in an amount estimated to exceed \$100 million (including all options) may be awarded to a single source unless the head of the agency determines in writing that: (a) the task or delivery orders expected under the contract are so integrally related that only a single source can reasonably perform the work; (b) the contract provides only for firm-fixed price task or delivery orders for (i) products for which unit prices are established in the contract; or (ii) services for which prices are established in the contract for the specific tasks to be performed; (c) only one source is qualified and capable of performing the work at a reasonable price to the Government; or (d) it is necessary in the public interest to award the contract to a single source due to exceptional circumstances. The head of the agency must also notify Congress within 30 days after making the determination.

Section 843(b)(2) provides a new protest mechanism for orders valued in excess of \$10 million. Protests of orders in excess of \$10 million may only be filed with the General Accountability Office, in accordance with the procedures at FAR 33.104. The authority to protest the placement of an order expires on May 26, 2011. For task or delivery orders

in excess of \$5 million, the requirement to provide all awardees a fair opportunity to be considered for each order shall include, at a minimum: a notice of the task or delivery order that includes a clear statement of the agency's requirements; a reasonable response period; disclosure of the significant factors and subfactors, including cost or price, that the agency expects to consider in evaluating proposals, and their relative importance; and where award is made on a best value basis, a written statement documenting the basis for award and the relative importance of quality and price or cost factors; and an opportunity for a post-award debriefing.

Questions regarding this policy should be directed to Barbara Binney at 202-287-1340 or barbara.binney@hq.doe.gov.

Michael P. Fischetti, Director Office of Procurement and Assistance Policy

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Attachment